

Finance & Audit Committee Update

February 11, 2014

Finance & Audit Committee

Chief Financial Officer

Ensure our financial integrity

Enhance our internal controls

Finance & Audit Committee

Chief Financial Officer

Financial Risk & Compliance

- Effective Financial Risk Management and Compliance
 - Value Creation/Preservation

Growth & Performance

- Managing Operational Performance
 - Value Creation/Preservation

Core Functions & Back Office

- Effective and Efficient Back Office Operations Management
 - Value Preservation

Executive, Board, & Stakeholders

- Delivering Strategic Growth and Value
 - Value Creation

Finance & Audit Committee

- ❑ Financial Reporting
- ❑ Audits
- ❑ Risk Management
- ❑ Project Update

Finance & Audit Committee

Financial Reporting

➤ **Summary of Financials**

- Summary of Financial Reports

➤ **Invoice Payments**

- Accounts Payable Aging Report
- Cash Management Report

➤ **Administrative Budget**

- Executive Budget Summary
- Summary of Monthly Budget & Expenditures

➤ **Capital Outlay Budget**

- Capital Outlay Budget Summary

➤ **Total Expenditures & Forecasts**

- Total Project Expenditures with Forecast

➤ **Contracts & Procurements**

- Contracts & Expenditure Report

➤ **Projects & Initiatives**

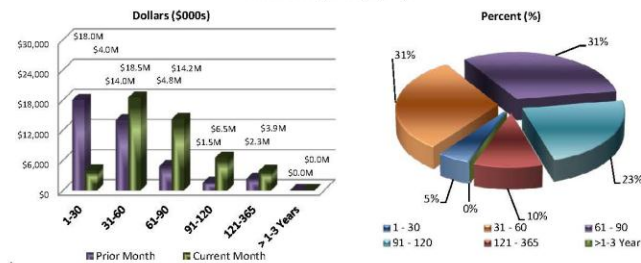
- Projects & Initiatives Report

Finance & Audit Committee

Summary of Financial Reports

CA High-Speed Rail Authority Summary of Financial Reports February 2014

Accounts Payable Aging Reports ¹



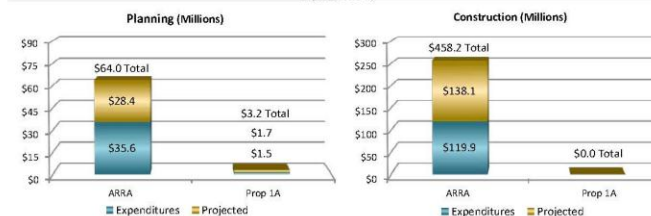
¹ Source of information and Details: Accounts Aging Payables Report.

State Operations ²



² Source of information and Details: Summary of Monthly Budget and Expenditures.

Capital Outlay ^{3,4}

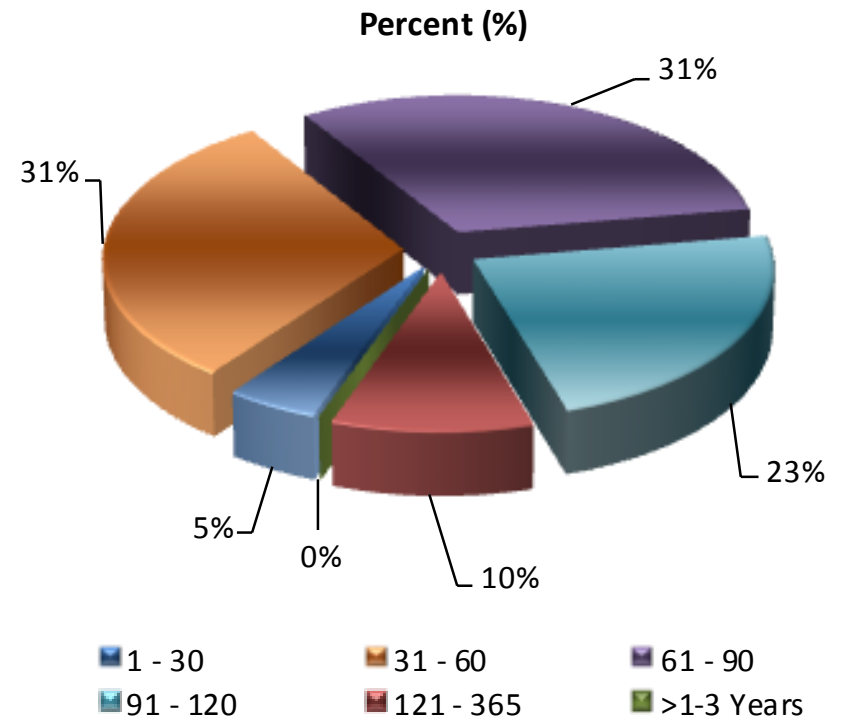
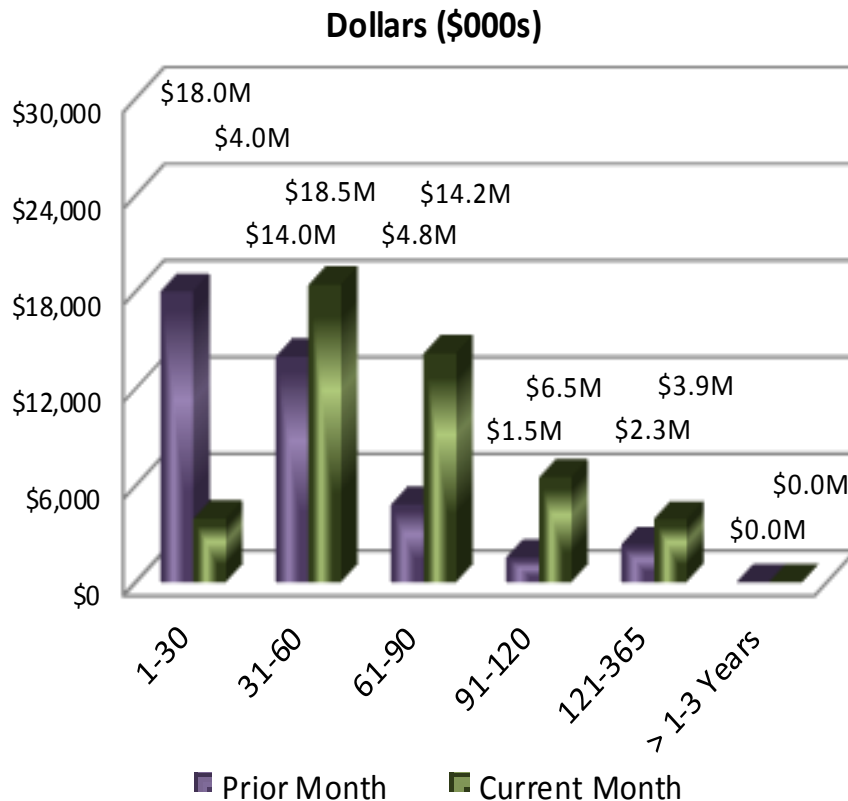


³ Source of information and Details: Capital Outlay Budget Summary.

⁴ Displays actual obligations (expenditures) compared to remaining budget (projected) for FY 13/14.

Finance & Audit Committee

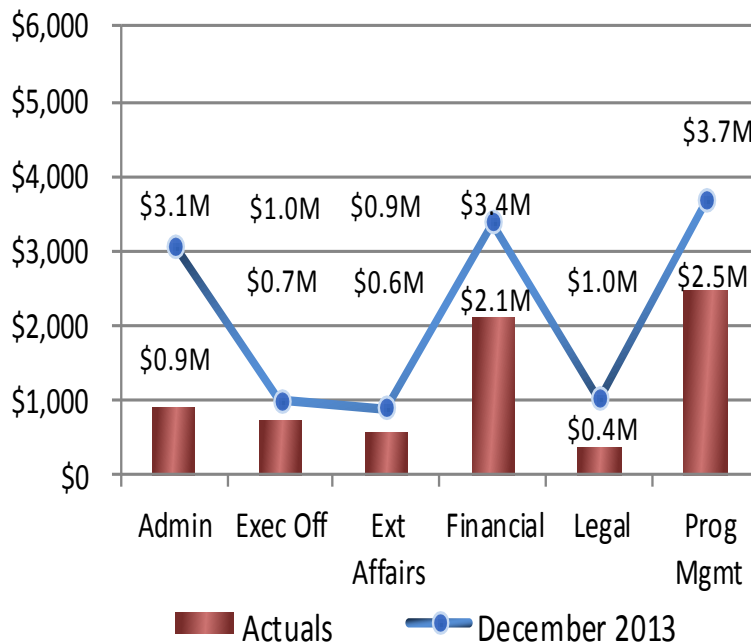
Invoice Payments



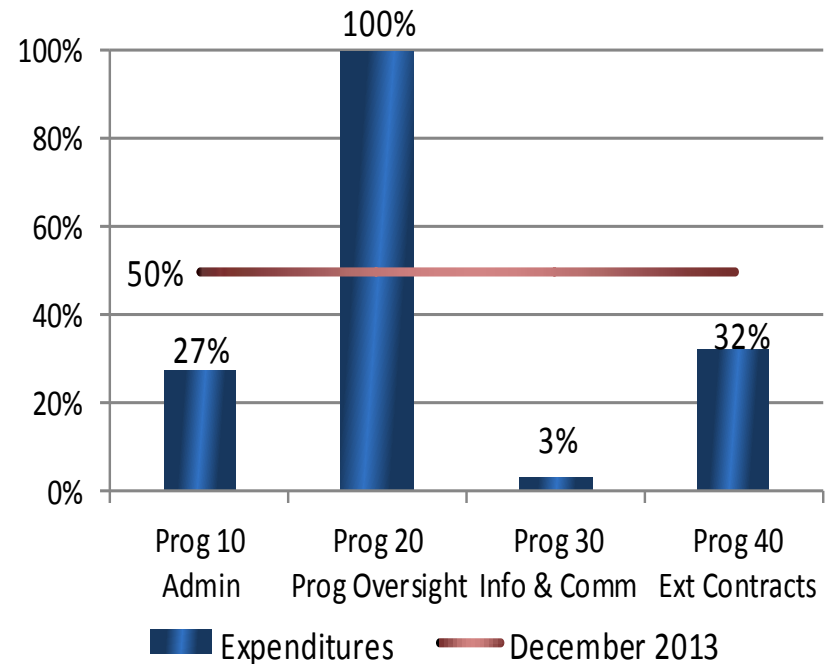
Finance & Audit Committee

Administrative Budget

Expenditures (\$000s)



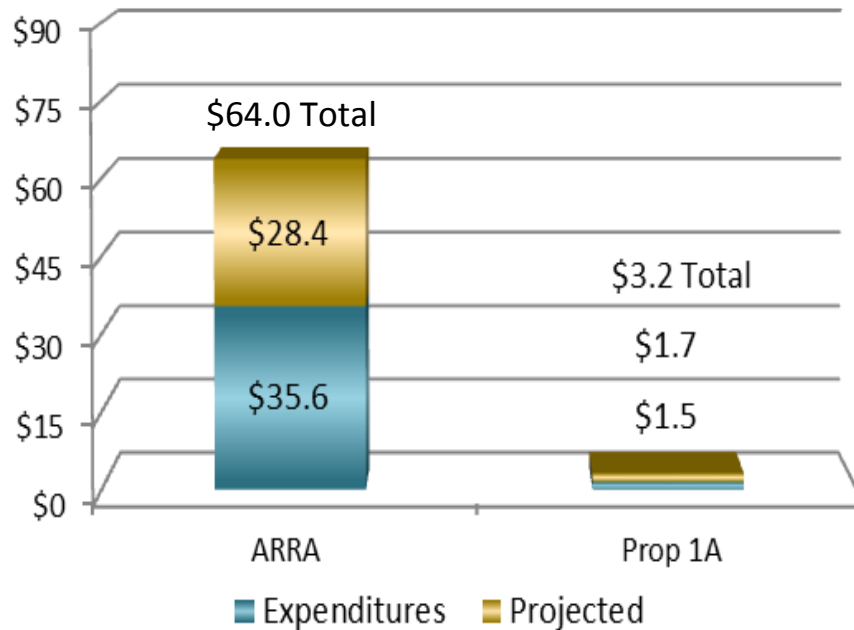
Percent Of Budget Expended By Program



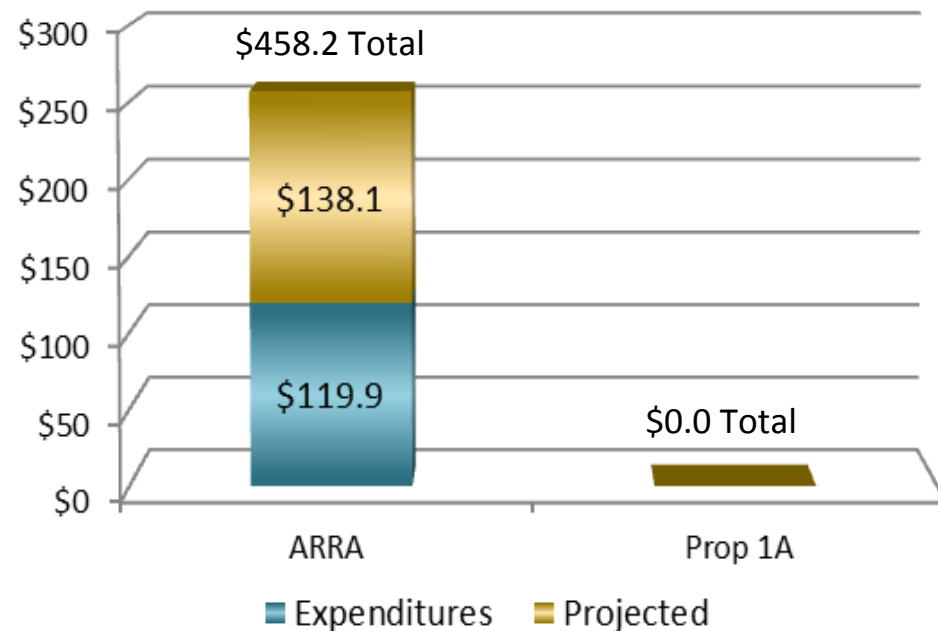
Finance & Audit Committee

Capital Outlay Budget

Planning (Millions)




Construction (Millions)




Finance & Audit Committee

Accounts Payable Aging

|  CALIFORNIA High-Speed Rail Authority | CA High-Speed Rail Authority Accounts Payable Aging Report February 2014 | | | | | | |
|---|--|-----------------|-----------------|----------------|------------------|------------|-----------------|
| | 1-30 Days | 31-60 Days | 61-90 Days | 91-120 Days | 121 Days -1 Year | >1-3 Years | TOTALS |
| Number of calendar days the invoice is past due | | | | | | | |
| REGIONAL CONSULTANTS/PROJECT MGT TEAM | \$1,001,562.10 | \$6,532,172.46 | \$6,690,006.25 | \$4,867,802.89 | \$2,177,433.59 | \$446.07 | \$21,269,423.36 |
| CONSTRUCTION/RIGHT OF WAY | \$2,055,473.70 | \$10,421,318.11 | \$7,340,193.75 | \$1,610,524.72 | \$648,294.52 | \$0.00 | \$22,075,804.80 |
| THIRD PARTY/RESOURCES AGENCIES | \$835,571.68 | \$1,453,354.24 | \$157,012.47 | \$38,054.60 | \$887,782.12 | \$0.00 | \$3,371,775.11 |
| ADMINISTRATION/SUPPORT | \$65,766.51 | \$74,739.97 | \$32,200.86 | \$2,685.98 | \$177,203.25 | \$0.00 | \$352,596.57 |
| TOTALS | \$3,958,373.99 | \$18,481,584.78 | \$14,219,413.33 | \$6,519,068.19 | \$3,890,713.48 | \$446.07 | \$47,069,599.84 |

- 1-30 Days, 31-60 Days, 61-90 Days, 91-120 Days, 121 Days-1 Year, >1-3 Years - Number of calendar days the invoice is past due
- Regional Consultants - Engineering firms conducting environmental clearance and preliminary engineering design
- Project Management Team - Provides Program Management Services in support of the CHSRA
- Construction / Right of Way dollars added February 2014
- Third-party Agreements support utility relocation in preparation for construction
- Resource Agencies provide support during the environmental review process leading to a Record of Decision
- Administrative/Support - Costs of general operations of the California High-Speed Rail Authority

|  CALIFORNIA High-Speed Rail Authority | CA High-Speed Rail Authority Forecast Balance Pending Federal Railroad Administration Approval February 2014 | | | | | | |
|---|--|----------------|--------------|--------------|------------------|------------|----------------|
| | 1-30 Days | 31-60 Days | 61-90 Days | 91-120 Days | 121 Days -1 Year | >1-3 Years | TOTALS |
| REGIONAL CONSULTANTS/PROJECT MGT TEAM | \$144,121.51 | \$149,596.18 | \$401,476.86 | \$392,039.44 | \$11,323.01 | \$0.00 | \$1,098,557.00 |
| CONSTRUCTION/RIGHT OF WAY | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| THIRD PARTY/RESOURCES AGENCIES | \$799,536.04 | \$1,453,354.24 | \$157,012.47 | \$38,054.60 | \$887,782.12 | \$0.00 | \$3,335,739.47 |
| ADMINISTRATION/SUPPORT | \$65,766.51 | \$74,739.97 | \$32,200.86 | \$2,685.98 | \$177,203.25 | \$0.00 | \$352,596.57 |
| TOTALS | \$1,009,424.06 | \$1,677,690.39 | \$590,690.19 | \$432,780.02 | \$1,076,308.38 | \$0.00 | \$4,786,893.04 |

Finance & Audit Committee

Cash Management



Prop 1A Bond Fund 6043

Cash Management Report as of January 1, 2014

| | <u>Description</u> | <u>Status</u> | <u>Balance</u> |
|--|---|---------------|----------------------|
| Support | | | |
| Cash In | Cash balance as of 1-1-14 | | \$ 4,589,480 |
| | Pending Cash In From DGS Corrections | | \$ 3,257,320 |
| Cash Out* | Claims in Process As of 1/1/14 | | \$ (494,907) |
| | Estimated January Claims To Be Processed | | \$ (1,250,000) |
| | Invoices Received Pending Cash Approval | | |
| | State Staffing Assistance | Payable | \$ (1,002,432) |
| | Phase II Regional Consultant | Payable | \$ (592,432) |
| | Phase II Regional Consultant | Payable | \$ (470,827) |
| | Phase II Regional Consultant | Payable | \$ (138,919) |
| | Federal Agency Contracts | Projected | \$ (650,000) |
| | Air Quality Mitigation | Projected | \$ (500,000) |
| | Phase II Regional Consultant | Projected | \$ (500,000) |
| *Anticipated Expenditures for the Next 90 Days | | | |
| Total Cash Balance, Adjusted | | | \$ 2,247,283 |
| FRA Reimbursements To be Submitted | | | |
| Cash In | Prior Year Invoices (Pending completion of DGS Year End Reconciliation) | | \$ 6,200,000 |
| | Madera County Settlement (Pending Approval of ARRA Grant Amendment #6) | | \$ 5,000,000 |
| | Total Outstanding Reimbursements to be Requested from FRA | | \$ 11,200,000 |
| Cash Balance Upon Receipt of Reimbursements | | | \$ 13,447,283 |

HSRA is actively managing cash flow to ensure that the needs of the department will be met for the fiscal year. The Notice to Proceeds (NTPs) for the affected vendors are in line with the cash projections.

Finance & Audit Committee

Summary of Monthly Budget & Expenditures

Summary of Monthly Budget and Expenditures by Function and Division February 2014



| Program | Branch Office | Annual Budget | YTD Expenditures | % of YTD Expenditures |
|---------|-------------------------------------|---------------|---------------------|-----------------------|
| 10 | Administration | \$21,948,000 | | |
| | Fixed Expenditures: | | | |
| | Personnel Services | | 5,444,759 | 24.81% |
| | Rent | | 158,318 | 0.72% |
| | Contracts | | 249,239 | 1.14% |
| | Variable Expenditures: | | | |
| | Travel In-State | | 37,493 | 0.17% |
| | Travel Out-of State | | 3,357 | 0.02% |
| | Direct Pay | | 0 | 0.00% |
| | | | 5,893,166 | 26.85% |
| 20 | Program Management Oversight | \$1,000 | | |
| | | | 1,000 | 100.00% |
| | | | 1,000 | 100.00% |
| 30 | Public Information & Communications | \$500,000 | | |
| | Outreach | | 15,208 | 3.04% |
| | | | 15,208 | 3.04% |
| 40 | Fiscal & Other External Contracts | \$3,750,000 | | |
| | | | 1,214,968 | 32.40% |
| | | | 1,214,968 | 32.40% |
| | Summary of Budgets | \$26,199,000 | 7,124,342 | 27.19% |

Finance & Audit Committee

Executive Budget Summary

CA High-Speed Rail Authority
FY 2013-14
Budget and Expenditure Report
February 2014



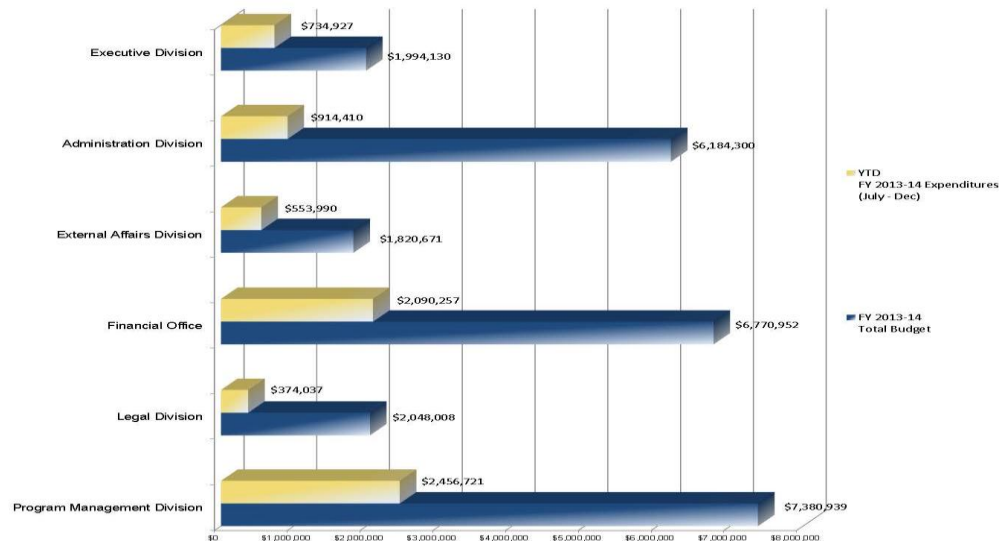
Budget Summary

Current Year 2013-14

| | FY 2013-14 Total Budget A | Prior Month Expenditures (Dec) B | FY 2013-14 Expenditures (July - Dec) C | YTD Total Remaining Budget (A - C) D | YTD % of Budgeted Expenditures (C / A) E | FY 2013-14 Forecast (Jan - June) F | YTD Expenditures & Forecast (C + F) G |
|-----------------------------|---------------------------------|--|---|---|--|---|---|
| Executive Division | \$1,994,130 | \$116,407 | \$734,927 | \$1,259,203 | 36.9% | \$907,550 | \$1,642,478 |
| Administration Division | \$6,184,300 | \$291,522 | \$914,410 | \$5,269,890 | 14.8% | \$4,102,890 | \$5,017,290 |
| External Affairs Division | \$1,820,671 | \$138,573 | \$553,990 | \$1,266,681 | 30.4% | \$1,387,844 | \$1,941,834 |
| Financial Office | \$6,770,952 | \$459,421 | \$2,090,257 | \$4,680,695 | 30.9% | \$3,987,791 | \$6,078,048 |
| Legal Division | \$2,048,008 | \$65,458 | \$374,037 | \$1,673,971 | 18.3% | \$1,684,387 | \$2,058,424 |
| Program Management Division | \$7,380,939 | \$316,500 | \$2,456,721 | \$4,924,218 | 33.3% | \$3,618,223 | \$6,074,945 |
| TOTAL | \$26,199,000 | \$1,387,882 | \$7,124,342 | \$19,074,658 | 27.2% | \$15,698,676 | \$22,813,018 |

Personal Services and Operating Expenses are projected to be below budget. Of the 106.5 newly authorized positions, 42.5 have been hired to date.

Current Year 2013-14



Finance & Audit Committee

Executive Budget Summary



California High-Speed Rail Authority
2013-14 Budget & Expenditure Summary
Executive Summary - All Divisions
February 2014

Chief Executive Officer
Jeff Morales
and
Chief Deputy Director
Dennis Trujillo

| Code Number | Description | FY 2013-14 Total Budget | Prior Month Expenditures (Dec) | YTD Expenditures (July - Dec) | Total Remaining Budget | FY 2013-14 Forecast (Jan - June) | YTD Expenditures & Forecast |
|-------------|---------------------------------|-------------------------|--------------------------------|-------------------------------|------------------------|----------------------------------|-----------------------------|
| 003 | Salaries and Wages | \$12,035,916 | \$683,335 | \$4,289,262 | \$7,746,654 | \$6,089,164 | \$10,378,426 |
| | Benefits* | \$3,916,000 | \$210,725 | \$1,155,497 | \$2,760,503 | \$1,944,816 | \$3,100,313 |
| | TOTAL PERSONAL SVCS | \$15,951,916 | \$894,060 | \$5,444,759 | \$10,507,157 | \$8,033,980 | \$13,478,739 |
| 201 | GENERAL OFFICE EXPENSE | \$252,084 | \$6,695 | \$6,925 | \$245,159 | \$67,020 | \$73,945 |
| 239 | BOARD COSTS | \$45,000 | \$2,918 | \$15,418 | \$29,582 | \$15,000 | \$30,418 |
| 241 | PRINTING | \$86,000 | \$27,595 | \$27,595 | \$57,405 | \$34,500 | \$62,095 |
| 251 | COMMUNICATIONS | \$96,000 | \$16,200 | \$22,199 | \$73,801 | \$33,300 | \$55,499 |
| 261 | POSTAGE | \$27,500 | \$669 | \$3,579 | \$23,921 | \$5,370 | \$8,949 |
| 291 | TRAVEL, IN-STATE | \$146,500 | \$23,594 | \$37,493 | \$109,007 | \$64,020 | \$101,513 |
| 311 | TRAVEL, OUT-OF-STATE | \$26,500 | \$3,357 | \$3,357 | \$23,143 | \$13,998 | \$17,355 |
| 331 | TRAINING | \$63,000 | \$0 | \$0 | \$63,000 | \$18,600 | \$18,600 |
| 343 | RENT - BUILDING AND GROUNDS | \$1,105,000 | \$28,801 | \$158,318 | \$946,682 | \$946,682 | \$1,105,000 |
| 382 | INTERDEPARTMENTAL CONTRACTS | \$2,166,000 | \$3,882 | \$3,882 | \$2,161,118 | \$2,161,118 | \$2,165,000 |
| 402 | EXTERNAL CONTRACTS | \$4,251,000 | \$292,961 | \$1,308,861 | \$2,942,339 | \$3,019,824 | \$4,328,485 |
| 428 | CONSOLIDATED DATA CENTERS | \$306,500 | \$0 | \$0 | \$306,500 | \$218,700 | \$218,700 |
| 431 | DATA PROCESSING | \$1,678,000 | \$87,161 | \$92,156 | \$1,585,844 | \$1,056,564 | \$1,148,720 |
| | TOTAL OP EXP & EQUIP | \$10,247,084 | \$493,822 | \$1,679,583 | \$8,667,501 | \$7,654,696 | \$9,334,279 |
| | TOTALS | \$26,199,000 | \$1,387,882 | \$7,124,342 | \$19,074,657 | \$15,688,676 | \$22,813,018 |

Percentage of Personal Services Budget Expended 34%

Percentage Operating Expenses & Equipment Budget Expended 16%

*For use of benefits only

Percentage of Total Budget Expended 27%

As of December 31, 2013 50%

Personal Services and Operating Expenses are projected to be below budget. Of the 106.5 newly authorized positions, 42.5 have been hired to date.

Finance & Audit Committee

Executive Budget Summary



California High-Speed Rail Authority
2013-14 Position Summary and Vacancy Report
Executive Summary Report

February 2014

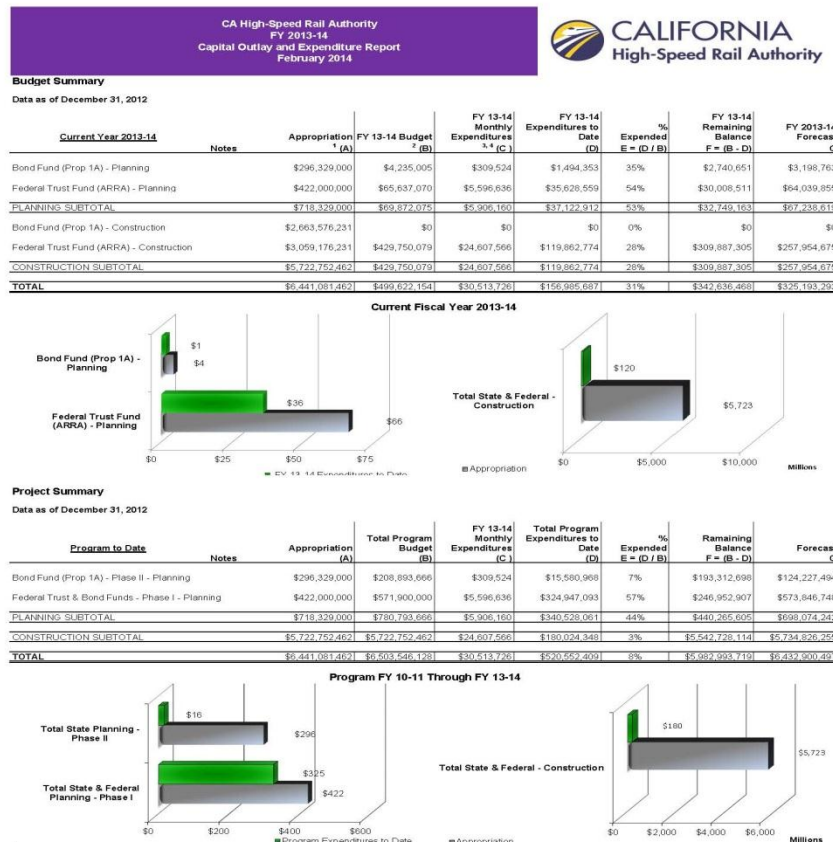
Chief Executive Officer
Jeff Morales
and
Chief Deputy Director
Dennis Trujillo

| | Alloted | | Revised | | | |
|--|----------------------------|--------------|----------------------------|------------------------|--------------|----------------------------|
| | Total Positions Authorized | Budget Act | Total Positions Authorized | Total Vacant Positions | Vacancy Rate | YTD Expenditures |
| All Divisions | 175.0 | \$12,035,916 | 175.0 | 72.0 | 41.1% | \$4,289,262 |
| Executive Office | 14.0 | \$1,406,855 | 14.0 | 7.0 | 50.0% | \$510,034 |
| Administration Office | 26.0 | \$1,488,943 | 26.0 | 7.0 | 26.9% | \$459,334 |
| External Affairs Office | 14.0 | \$979,750 | 14.0 | 6.0 | 42.9% | \$419,370 |
| Financial Office | 42.0 | \$2,125,160 | 42.0 | 6.0 | 14.3% | \$652,387 |
| Legal Office | 6.0 | \$568,300 | 6.0 | 1.0 | 16.7% | \$220,963 |
| Program Management Office | 73.0 | \$5,436,908 | 73.0 | 45.0 | 61.6% | \$2,027,174 |
| Total | 175.0 | \$12,035,916 | 175.0 | 72.0 | 41.1% | \$4,289,262 |
| Vacancy Rate Including All Vacant Positions | 175.0 | | 175.0 | 72.0 | 41.1% | Balance \$7,746,654 |

The California High-Speed Rail Authority (Authority) received an increase of 106.5 newly authorized positions for the Fiscal Year 2013/14, increasing the total number of authorized from 68.5 to 175. The effective dates were staggered, ranging from August 2013 through January 2014. The Authority has been undergoing a diligent recruitment plan in order to fill a majority of these positions before the end of the current fiscal year. A significant challenge to filling vacancies was due to classifications requiring development of examinations, because there was no prior existing examination list available for the Authority's use. The examination development process typically takes approximately four months and requires a time commitment from subject matter experts at the Authority and other departments who have staff that are available to assist. The Authority is in the process of transitioning the Human Resource personal services contract from DGS to Caltrans. This will streamline the duty statement approval process; given that many of the classifications that the Authority utilizes exist at Caltrans. This will apply to any positions that are authorized in future fiscal years.

Finance & Audit Committee

Capital Outlay Budget Summary



¹ Fund appropriations for Capital Outlay are available across multiple State Fiscal Years per SB 1029. Prop. 1A bonds were sold in State Fiscal Year (SFY) 2009-10 and were available for use from SFY 2010-11 through SFY 2016-17. ARRA grant funds expire September 2017.

² Updated to reflect Budget Act of 2013, Items 2665-491 and 2665-492.

³ Expenditures are sourced from the Funding Contribution Plan (FCP). The FCP is the quarterly report prepared for the Federal Railroad Administration (FRA). The expenditures and forecast illustrate how the provisions of the grant and the required matches will be fulfilled. Illustrates the expenditures and forecast for the Phase I environmental work and the First Construction Section (FCS) only.

⁴ Actuals paid are less than expenditures due to a lag in the State and Federal Payment process.

⁵ Expenditures are less than anticipated due to a slower ROW acquisition process.

Finance & Audit Committee

Project Expenditures with Forecasts

Project Management Team (PMT) & Regional Consultants (RC) Expenditures by Fiscal Year

| Section | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 | Dec YTD 13-14 | Forecast 13-14 | Total '2013-14 | Total |
|---------------------------------|---------------------|----------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|----------------------|-----------------------|-----------------------|
| Program Management (PB) | \$2,927,356 | \$7,231,174 | \$10,574,319 | \$25,799,906 | \$38,566,822 | \$40,739,275 | \$49,121,127 | \$28,717,423 | \$32,126,000 | \$60,843,423 | \$ 235,803,402 |
| San Francisco - San Jose (HNTB) | | | \$1,927,390 | \$19,709,784 | \$19,973,276 | \$3,358,502 | \$353,940 | \$54,021 | \$0 | \$54,021 | \$ 45,376,913 |
| San Jose - Merced (Parsons) | | | \$954,203 | \$14,656,747 | \$18,319,746 | \$10,615,801 | \$11,033,030 | \$3,558,706 | \$1,238,000 | \$4,796,706 | \$ 60,376,233 |
| Merced - Fresno (AECOM) | \$314,423 | \$316,872 | \$1,377,565 | \$8,907,194 | \$16,472,035 | \$18,387,145 | \$13,196,099 | \$4,084,988 | \$3,079,000 | \$7,163,988 | \$ 66,135,321 |
| Fresno - Bakersfield (U-H-A) | \$1,063,000 | \$533,561 | \$3,275,511 | \$16,446,385 | \$25,409,664 | \$27,452,894 | \$22,050,463 | \$14,407,161 | \$11,553,986 | \$25,961,147 | \$ 122,192,625 |
| Bakersfield - Palmdale (U-H-A) | | | | \$4,243,773 | \$2,440,758 | \$6,899,997 | \$10,887,860 | \$1,233,056 | \$318,000 | \$1,551,056 | \$ 26,023,444 |
| Palmdale - Los Angeles (H-U-A) | \$2,219,372 | \$1,374,066 | \$2,708,847 | \$14,097,516 | \$14,876,997 | \$10,338,093 | \$8,336,909 | \$2,069,890 | \$2,538,000 | \$4,607,890 | \$ 58,559,690 |
| Los Angeles - Anaheim (STV) | \$1,917,686 | \$3,899,813 | \$4,499,175 | \$12,680,671 | \$7,079,499 | \$3,093,191 | \$2,267,794 | \$781,734 | \$1,387,000 | \$2,168,734 | \$ 37,606,563 |
| Los Angeles - San Diego | \$886,140 | \$439,659 | \$1,749,849 | \$2,844,947 | \$3,064,396 | \$677,619 | \$1,615,757 | \$0 | \$2,000,000 | \$2,000,000 | \$ 13,278,367 |
| Sacramento - Merced | | | | \$796,573 | \$1,814,471 | \$2,682,564 | \$1,371,768 | \$433,028 | \$566,972 | \$1,000,000 | \$ 7,665,376 |
| Altamont | | | | \$505,697 | \$1,816,370 | \$2,487,962 | \$1,498,882 | \$0 | \$2,000,000 | \$2,000,000 | \$ 9,342,813 |
| Totals | \$ 9,327,977 | \$ 13,795,145 | \$ 27,572,556 | \$ 121,999,866 | \$ 150,505,626 | \$ 125,743,963 | \$ 121,268,649 | \$ 55,340,007 | \$ 56,806,958 | \$ 112,146,965 | \$ 682,360,747 |

Source/Notes:

Data sourced from the reporting database/RC EV files

2013-14 forecast expenditures are based on invoiced costs through December 2013 and FY 2013/14 Annual Work Plan budgets, some of which are subject to Authority approval.

Some RC contracts are subject to re-competition and 2013/14 figures shown above are budget placeholders.

The Bakersfield to Palmdale RC forecast reflects the scope of the current RC. A new RC will be appointed in FY 13/14 with an additional scope of work and budget to be determined

Italics = forecast

Administrative Budget

| Program | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 | Dec YTD 13-14 | Forecast 13-14 | Total '2013-14 | Total |
|--|-------------|-------------|---------------------|---------------------|----------------------|----------------------|----------------------|---------------------|----------------------|----------------------|----------------------|
| 10 - Administration | | | \$ 1,778,071 | \$ 3,276,931 | \$ 5,556,204 | \$ 7,496,036 | \$ 10,470,658 | \$5,893,166 | \$12,668,852 | \$18,562,018 | \$ 47,139,918 |
| 20 - Program Management Oversight | | | | | | \$ 3,000,000 | \$ 3,224,126 | \$1,000 | \$0 | \$1,000 | \$ 6,225,126 |
| 30 - Public Information & Communications | | | | | \$ 1,794,474 | \$ 1,835,150 | \$ 95,440 | \$15,208 | \$3,734,792 | \$3,750,000 | \$ 7,475,063 |
| 40 - Fiscal & Other External Contracts | | | | | \$ 8,398,236 | \$ 1,995,888 | \$ 7,348,565 | \$1,214,968 | \$2,535,032 | \$3,750,000 | \$ 21,492,689 |
| Totals | \$ - | \$ - | \$ 1,778,071 | \$ 3,276,931 | \$ 15,748,914 | \$ 14,327,073 | \$ 21,138,788 | \$ 7,124,342 | \$ 18,938,676 | \$ 26,063,018 | \$ 82,332,796 |

Source/Notes:

Administrative Budget for prior years 2006-07 and 2007-08 are currently unable to be calculated

All Program costs placed in Administration prior to FY 10-11 for this report

All 13/14 Costs are from CalSTARS Expenditure Reports and may be delayed in uploading

Construction and other Program Costs

| Program | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 | | | 2013-14 | Total |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------------------|-----------------------|
| Resource Agencies for Environmental | | | | | | | | | | | \$ - |
| Station Area Planning | | | | | | | | | | | \$ - |
| Southern California Improvements / LAUS | | | | | | | | | | | \$ - |
| SWCAP | | | | | | | | | | | \$ - |
| Other | | | | | | | | | | | \$ - |
| Project Construction Management* | | | | | | | | | | \$ 6,383,179 | \$ 6,383,179 |
| ROW Support Firms | | | | | | | | | | | \$ - |
| ROW Acquisition* | | | | | | | | | | \$234,978,022 | \$ 234,978,022 |
| Construction D-B, CP-1* | | | | | | | | | | \$ 183,812,552 | \$ 183,812,552 |
| Other | | | | | | | | | | | \$ - |
| Totals | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 425,173,753 | \$ 425,173,753 |

* Estimated

| | | | | | | | | | | | |
|----------------------|---------------------|----------------------|----------------------|-----------------------|-----------------------|-------------------------|-----------------------|--|--|-----------------------|-------------------------|
| | | | | | | State Funds | \$450M Approx. | | | | |
| | | | | | | Federal Funds | \$176M Approx. | | | | |
| Program Total | \$ 9,327,977 | \$ 13,795,145 | \$ 29,350,627 | \$ 125,276,797 | \$ 166,254,540 | \$ 140,071,036 | \$ 142,407,437 | | | \$ 563,383,736 | \$ 1,189,867,296 |
| | | | | | | Total as of 2013 | \$ 626,483,560 | | | | |

Finance & Audit Committee

Contracts & Expenditures

| Vendor / Contractor Name | Small Business | Contract Amount | Encumbered Amount (YTD) | Actual Expenditures | Balance | Description of Service |
|--------------------------------|----------------|------------------------|-------------------------|-----------------------|------------------------|---|
| Able Gov Inc.* | 100.00% | \$4,999.00 | \$4,999.00 | \$0.00 | \$4,999.00 | Designated Viasara Printer for Accounting |
| Able Gov Inc.* | 100.00% | \$337.79 | \$337.79 | \$0.00 | \$337.79 | Tax for Visara Printer |
| | | \$5,336.79 | \$5,336.79 | \$0.00 | \$5,336.79 | |
| Advanced Technical Solutions* | 100.00% | \$5,793.25 | \$5,793.25 | \$0.00 | \$5,793.25 | Flat Screen Monitors |
| Advanced Technical Solutions* | 100.00% | \$490.31 | \$490.31 | \$0.00 | \$490.31 | Tax |
| | | \$6,283.56 | \$6,283.56 | \$0.00 | \$6,283.56 | |
| AECOM + DMJM Altamont Corridor | 5.36% | \$55,000,000.00 | \$8,215,007.20 | \$8,215,007.20 | \$46,784,992.80 | Developing engineering, planning and environmental data |
| AECOM + DMJM Altamont Corridor | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | Amend #1-revise Scope of Work |
| | | \$55,000,000.00 | \$8,215,007.20 | \$8,215,007.20 | \$46,784,992.80 | |
| AECOM USA, Inc. | 15.13% | \$83,400,000.00 | \$5,029,659.00 | \$5,029,659.00 | \$78,370,341.00 | Preliminary engineering and project-specific environmental work |
| AECOM USA, Inc. | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | Amend #1-revise Scope of Work |
| AECOM USA, Inc. | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | Amend #2-Change of contractor name |
| AECOM USA, Inc. | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | Amend #3-extend contract term; revise Scope of Work |

Finance & Audit Committee

Projects & Initiatives

| Projects | Division | Upcoming Milestones | Start Date | End Date | Timeline Rating | Timeline Trend | Budget Rating | Budget Trend |
|---|---------------------------------|--|------------|-----------|-----------------|----------------|---------------|--------------|
| Hiring and Staffing for Fiscal Year 2013/14 Positions | Administration Wendy Boykins | An aggressive recruitment plan is in place to fill the vacant positions. To date 46 of the 106 positions authorized have been filled (with an additional four pending hires that will be finalized by the end of the week). | 8/1/2013 | 6/30/2014 | ♦ | ⋮ | ♦ | ↔ |
| Financial System | Fiscal Services Russell Fong | Obtain approval from the California Technology Agency (CTA) and Department of Finance - FISCAL (DOF). Delay in procurement and implementation of financial system due to development and submittal of Feasibility Study Report (FSR) required by Control Agency. | 6/1/2013 | 10/1/2014 | ● | ⋮ | ● | ↔ |
| ROWMIS (Right of Way Management Information System) | Program Management Don Grebe | Meet with Caltrans staff to review technical requirements and follow up with OTECH. Evaluate ROW applications that were developed. | 7/31/2013 | 7/1/2014 | ♦ | ↔ | ♦ | ↔ |
| Streamline Right of Way process | Program Management Don Grebe | Develop a plan that covers how Authority property will be managed from close of escrow until the DB Contractor occupation and/or disposal. | 9/12/2013 | 6/1/2014 | ♦ | ↔ | ♦ | ↔ |
| Quickmaps | Central Section Diana Gomez | Obtain assistance from the Department of Transportation and the California Technology Agency (CTA) to implement the Lane Closure System (LCS) into the CHSRA's web site. | 7/31/2013 | 3/1/2014 | ♦ | ⋮ | ♦ | ↔ |

Finance & Audit Committee

Audit Plan FY 2013-14

AUDIT PLAN FY 2013-14 Second Quarter Status

Priority

1. SMALL BUSINESS/DISADVANTAGED BUSINESS ENTERPRISE (SB/DBE) REPORTING PROGRAM IN PROGRESS/DRAFT REPORT ISSUED TO CEO

Scope: Evaluate SB/DBE program and test accuracy of data reported as progress toward established goals.

Resources: 120 hours

Original Completion: November 1, 2013

Revised Completion: November 30, 2013

2. COMPLIANCE WITH THE PUBLIC RECORDS ACT (PRA) ON HOLD

Scope: Evaluate the process of responding to PRA requests. Determine whether the Authority complies with PRA response requirements and levies appropriate fees for requests. *Assignment on hold pending finalization of the policy and process.*

Resources: 120 hours

Original completion: November 1, 2013

Revised Completion: February 28, 2014

3. DRAFT AGREEMENT REVIEW ONGOING

Scope: Review draft contracts for applicable fiscal provisions. Review scope of work in contract to determine if scope is auditable, specifically if clearly defined with deliverables and due dates. Cost proposal is reviewed to assure it doesn't contradict the scope or method of payment.

Resources: 400 hours, 85 to date

Timeframe: Ongoing, 43 reviews completed as of 12/31/13. No findings, advisory comments provided.

4. PRENEGOTIATION REVIEWS (A&E) IN PROCESS

Scope: Consistent with State auditing processes, determine reasonableness of proposed cost elements (labor, overhead, other direct costs) in response to the RFQs for Regional Consultants (three contracts), *the Right of Way Engineering and Surveying contract and the Project and Construction Management Contract for CP2-3*. Attestation procedures will include obtaining most current information and analysis of actual costs compared to proposed amounts. Issues identified are communicated to Contract Manager via Memo for implementation of recommendations.

Resources: 600 hours, 140 to date

Completion: Reviews complete for two Regional Consultant contracts and VERA agreement. Recommendations implemented by Contract Manager. Review in process for Sacramento to Merced Regional Consultant contract. Additional workload of five Right-of-Way Engineering and Surveying contracts in February and March 2014, and Project and Construction Management contract in April.

5. FISMA COMPLETED

Scope: Consistent with Department of Finance guidance, facilitate management's risk assessment. Risks identified will be presented to executive management team for risk ranking. Internal controls of highest risk areas will be documented and tested to allow executive management to determine if risks have been effectively mitigated.

Resources: 600 hours estimated, 128 actual

Completion: December 31, 2013

6. GRANT MANAGEMENT

Scope: Assess Authority's compliance with grant provisions. Identify areas where grant compliance needs to be strengthened, if any.

Resources: 1,000 hours.

Completion: June 30, 2014

Priorities 1 through 6 to be completed with existing staffing.

Updated February 3, 2014

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Finance & Audit Committee

Internal Audit Function

- ❑ Audit Office is an independent function within the Authority.
- ❑ Audit Office functionally reports to the Board
- ❑ Provides independent evaluation and consultation services, apart from external audit entities.

Finance & Audit Committee

Audit Plan

- Development
 - Audit Topics
 - Solicited from executive management
 - Issues identified in prior internal or external audits
 - Internal risk assessment performed
 - Preliminary scope and estimated resources
- Priority
 - Required By Law
 - Specific requests by CEO/Board
 - Relative risk

Finance & Audit Committee

Audit Plan FY 2013-14

- ❑ Small Business/Disadvantaged Business Enterprise Program Reporting
- ❑ Compliance with the Public Records Act
- ❑ Draft Agreement Review
- ❑ Pre-negotiation Cost Proposal Review
- ❑ Financial Integrity State Manager's Accountability Act (FISMA)
- ❑ Grant Management


Finance & Audit Committee

Audit Plan FY 2013-14

- ☐ Progress Reports
- ☐ Construction Related
- ☐ Post Contract Audits
- ☐ Audit Liaison
- ☐ Effectiveness and Efficiency Performance Reviews
- ☐ Year End Close Review

Finance & Audit Committee

CP 1 Monthly Status

|  | | Monthly Status Report No. MR-005 | Issue Date: 1/16/2014 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|---|--------------------------|-------------------------------|--|----------------------|--|-----------------------------------|---|---------------------|--|--------------------------|--|-----------------------|--|------------------------|---|------------------------|---|-----------------------------|--|-------------------------------------|--|------------------------------------|---|--|---|--|--|--|--|
| Construction Package 1 | | Period: 12/21/2013 to 01/20/2014 | Contract: HSR 13-06 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Construction Manager: Hugo Mejia Design & Construction Manager | | Project Director: Scott Jarvis Director, Design & Construction (Acting) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| PCM: Brett Barnett D-B Oversight Manager | | Regional Director: Diana Gomez Central Valley Regional Director | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Design-Build: TUTOR PERINI/ZACHRY/PARSONS JV | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table><tr><th>Milestones</th><th>Project Financial Status</th></tr><tr><td>RFQ Date: 11/15/2011</td><td>^(a) Proposal Amount: 969,988,000.00</td></tr><tr><td>SOQ Date: 12/19/2011</td><td>^(b) Provisional Sums: 53,000,000.00</td></tr><tr><td>RFP Date: 3/22/2012</td><td>^{(c)=(a)+(b)} Original Contract Amount: 1,022,988,000.00</td></tr><tr><td>Proposal: 1/18/2013</td><td>^(d) Executed Change Orders / Amendments to Date: 0.00</td></tr><tr><td>Bid Open Date: 4/13/2013</td><td>^{(e)=(c)+(d)} Revised Contract Amount: 1,022,988,000.00</td></tr><tr><td>Award Date: 8/16/2013</td><td>^(f) Original Contingency Amount: 160,000,000.00</td></tr><tr><td>NTP 1 Date: 10/15/2013</td><td>^{(g)=(c)+(f)} Original Allotment: 1,182,988,000.00</td></tr><tr><td>NTP 2 Date: 11/22/2013</td><td>^(h) Contingency Adds/Deducts: 0.00</td></tr><tr><td>Work Start Date: 10/15/2013</td><td>^{(i)=(g)+(h)} Current Allotment (NTE): 1,182,988,000.00</td></tr><tr><td>Original Completion Date: 1/31/2018</td><td>^{(j)=(f)+(g)} Current Contingency Balance: 160,000,000.00</td></tr><tr><td>Current Completion Date: 1/31/2018</td><td>^(k) FRA Approved Invoices to Date: 38,636,478.15</td></tr><tr><td></td><td>^{(l)=(k)+(j)} Contract Balance: 1,144,351,521.85</td></tr><tr><td></td><td>^(m) Total Retainage to Date: 644,594.00</td></tr></table> | | Milestones | Project Financial Status | RFQ Date: 11/15/2011 | ^(a) Proposal Amount: 969,988,000.00 | SOQ Date: 12/19/2011 | ^(b) Provisional Sums: 53,000,000.00 | RFP Date: 3/22/2012 | ^{(c)=(a)+(b)} Original Contract Amount: 1,022,988,000.00 | Proposal: 1/18/2013 | ^(d) Executed Change Orders / Amendments to Date: 0.00 | Bid Open Date: 4/13/2013 | ^{(e)=(c)+(d)} Revised Contract Amount: 1,022,988,000.00 | Award Date: 8/16/2013 | ^(f) Original Contingency Amount: 160,000,000.00 | NTP 1 Date: 10/15/2013 | ^{(g)=(c)+(f)} Original Allotment: 1,182,988,000.00 | NTP 2 Date: 11/22/2013 | ^(h) Contingency Adds/Deducts: 0.00 | Work Start Date: 10/15/2013 | ^{(i)=(g)+(h)} Current Allotment (NTE): 1,182,988,000.00 | Original Completion Date: 1/31/2018 | ^{(j)=(f)+(g)} Current Contingency Balance: 160,000,000.00 | Current Completion Date: 1/31/2018 | ^(k) FRA Approved Invoices to Date: 38,636,478.15 | | ^{(l)=(k)+(j)} Contract Balance: 1,144,351,521.85 | | ^(m) Total Retainage to Date: 644,594.00 | | |
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| Time: 6.2% | % Time Growth: 0.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Dollars: 3.8% | % Dollars Growth: 0.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Major Scheduled Activities for the Next Six Months

- Authority Provided Air Quality Permit
- Start Construction Demolition in CP1B
- Finalize Track Alignment (Part of Baseline Design Report)
- Finalize Typical Sections (Part of Baseline Design Report)
- Finalize Baseline Report (Part of Baseline Design Report)
- Design Engineering for Utility Relocation
- 60% Design Engineering for Project Structures

Key Topics

- An additional six parcels were acquired for a total of nine right of way parcels certified as available to the Design-Build Contractor. Working with the Design-Build Contractor to get parcels critical to the project. Parcel acquisition is behind the dates specified in the Right of Way Acquisition Plan and continues to be a schedule risk.
- Execution of 12 cooperative agreements is pending, but preliminary design discussions have already begun. Seven cooperative agreements were issued.

Key Work Accomplished this Period

- Design-Build Contractor geotechnical drilling and testing is ongoing.

THE END

**Finance & Audit Committee
February 11, 2014**



CALIFORNIA
High-Speed Rail Authority